

## Message Text

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P 192048Z FEB 76

FM SECSTATE WASHDC

TO AMEMBASSY NEW DELHI PRIORITY

INFO AMCONSUL BOMBAY PRIORITY

AMCONSUL CALCUTTA PRIORITY

AMEMBASSY LONDON PRIORITY

AMCONSUL MADRAS PRIORITY

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E.O. 11652: N/A

TAGS: PFOR, IN

SUBJECT: DEPARTMENT PRESS BRIEFING FEBRUARY 18

REF: NEW DELHI 2502 (NOTAL); LONDON 2599 (NOTAL)

1. FOR YOUR INFORMATION AND GUIDANCE, FOLLOWING ARE  
EXCERPTS FROM DEPARTMENT PRESS BRIEFING FOR FEBRUARY 18,  
1976:

2. Q: WHAT CAN YOU TELL US ABOUT THE ABANDONMENT OF THE  
PROPOSED AID PROGRAM TO INDIA?

A: I THINK WE HAVE HAD A FEW THINGS TO SAY ABOUT  
THAT, HENRY. I THINK WHAT WE HAVE SAID SO FAR IS THAT  
WE HAVE DECIDED TO POSTPONE TALKS ON ECONOMIC ASSISTANCE  
UNTIL FISCAL 1977, AND THAT THAT DECISION WAS NOT BASED  
ON OR TIED TO ANY SINGLE EVENT. AND THAT AT PRESENT WE  
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DO NOT FEEL THAT THE ATMOSPHERE IS APPROPRIATE TO GO

FORWARD WITH DISCUSSIONS ON ECONOMIC ASSISTANCE.

NOW I WANT TO MAKE IT CLEAR THAT WE HAD PROPOSED TO BEGIN TALKS ON THE MODALITIES OF THE KINDS OF AID AND THE DISTRIBUTION OF THE AID THAT IS IN THE FISCAL 1976 BUDGET. THERE IS AN ITEM IN THAT BUDGET FOR, I BELIEVE, DOLS. 76

MILLION, DOLS. 75 MILLION IN DEVELOPMENT LOANS AND A MILLION IN GRANTS. CONGRESS PASSED THE BILL AUTHORIZING THE FISCAL '76 PROGRAM A COUPLE OF MONTHS AGO - DECEMBER, I THINK IT WAS. ACTION HAS NOT BEEN COMPLETED ON THE APPROPRIATION BILL. WE ARE STILL PLANNING TO PROPOSE A DEVELOPMENT ASSISTANCE PROGRAM FOR INDIA IN FISCAL 1977.

3. Q: IN OTHER WORDS, THE CURRENT DOLS. 76 MILLION BILL HAS BEEN SCRAPPED, ABANDONED ALTOGETHER. AND '77 IS ANOTHER DEAL.

A: I THINK THE STATUS OF THE BILL IN CONGRESS IS THAT THE HOUSE APPROPRIATIONS COMMITTEE IS EXPECTED TO START MARK-UP OF THE AID BILL FEBRUARY 19TH - THAT IS TOMORROW - AND THE SENATE WOULD TAKE ACTION SHORTLY THEREAFTER. BUT, OUR TALKS ON HOW THAT AID IS GOING TO BE, OR WOULD BE, DISTRIBUTED, AND WHAT KIND OF AID IT WOULD BE, WHICH WE HAVE PROPOSED TO BEGIN WITH THE INDIANS, WE HAVE DECIDED TO POSTPONE. THOSE TALKS WERE NEVER ACTUALLY UNDERWAY.

4. Q: WHICH PRACTICALLY MEANS WHAT?

A: WHICH PRACTICALLY MEANS THAT WE WILL NOT BE DISCUSSING WITH THE INDIANS UNTIL THE NEXT FISCAL YEAR AN AID PROGRAM.

5. Q: THAT IS A NEW AID PROGRAM. THE CURRENT AID PROGRAM, OR THE ONE THAT HAD BEEN -- ?

A: THE CURRENT AID PROGRAM IS JUST WHERE I HAVE LEFT IT. IT IS IN THE CONGRESS, BUT WE ARE NOT GOING FORWARD NOW WITH TALKS WITH THE INDIANS ABOUT HOW TO HANDLE IT, LIMITED OFFICIAL USE

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IF AND WHEN IT IS APPROPRIATED.

6. Q: WHAT ARE THE MECHANICS OF THIS? WILL THE ADMINISTRATION WITHDRAW ITS -- OR NOTIFY THE HOUSE COMMITTEE TOMORROW THAT IT IS NO LONGER INTERESTED IN THIS BILL?

A: HENRY, I WOULD HAVE TO FIND THAT OUT FOR YOU.

7. Q: COULD YOU FIND OUT?

A: I DO NOT KNOW WHAT THE TECHNICALITIES ARE.

8. Q: WHAT THE TECHNICALITIES ARE WITH REGARD TO THIS  
AT THIS MOMENT.

9. Q: JUST TO MAKE SURE WE ARE TALKING ABOUT THE SAME

THING, BY NOT GOING FORWARD WITH IT, YOU ARE IN EFFECT  
CONDEMNING THE AID PROGRAM TO STARVATION WITHOUT FUNDS.  
THERE WON'T BE ANY PROGRAM FOR FY '76 BECAUSE THERE WON'T  
BE ANY FUNDS BECAUSE THE STATE DEPARTMENT IS NOT SEEKING  
THEM, IS THAT RIGHT?

A: I AM SAYING THAT IF AND WHEN THE HOUSE, OR THE  
CONGRESS, VOTES AN APPROPRIATION FOR THIS - NOW, IT HAS  
BEEN AUTHORIZED - THAT FACT IS SEPARATE FROM OUR DECISION  
NOT TO PROCEED WITH THE INDIANS NOW IN DISCUSSING HOW IT  
SHOULD BE DISTRIBUTED.

10. Q: I JUST WANT TO PIN THIS DOWN.

A: I THINK THE PRACTICAL EFFECT, JIM, IS, THAT FOR  
ALL INTENTS AND PURPOSES, THERE WILL NOT BE AN AID PRO-  
GRAM - MAYBE I SHOULD BE SAYING THIS ON BACKGROUND.  
LET'S PUT IT ON BACKGROUND. THE PRACTICAL EFFECT IS THAT  
THERE WILL NOT BE AN AID PROGRAM FOR INDIA IN THIS FISCAL  
YEAR, 1976.

11. Q: WHY IS IT ON BACKGROUND? IF YOU POSTPONE THE  
TALKS UNTIL '77 --

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A: I AM STILL ON BACKGROUND, FRANCOIS, BECAUSE I AM  
TRYING TO EXPLAIN TO YOU THE PRACTICAL EFFECT OF SOME-  
THING WHICH I THINK IS BETTER ON BACKGROUND THAN ON THE  
RECORD.

NOW I AM ON THE RECORD AGAIN.

12. Q: TELL ME, IS THERE A U.S. TEAM IN INDIA AT THE  
PRESENT MOMENT DISCUSSING THE AID PROGRAM WITH THE  
INDIANS?

A: I DO NOT BELIEVE THAT IS TRUE SINCE WE HAVE NOT  
BEGUN DISCUSSIONS. THEREFORE, I DOUBT IF THEY ARE THERE.

13. Q: HAD A DATE BEEN SET FOR BEGINNING THESE TALKS?

A: THAT I AM NOT AWARE OF. THAT IS ANOTHER DETAIL  
I WOULD HAVE TO CHECK FOR YOU.

14. Q: THE TALKS, AS WE HAVE IT TODAY, ARE -- OR THE FACT  
IS THAT THE TALKS ARE BEING DEFERRED UNTIL SEPTEMBER.  
WHEN WERE THEY SUPPOSED TO HAVE BEGUN?

A: I THINK THEY WERE TO HAVE BEGUN AT SOME POINT  
BETWEEN NOW AND END OF THIS FISCAL YEAR, PROBABLY WELL

AHEAD OF TIME. I JUST DO NOT KNOW WHEN.

15. Q: DO YOU KNOW THE DATE THAT THE DECISION WAS TAKEN  
NOT TO PRESS AHEAD WITH THE DOLS. 76 MILLION PROGRAM?

A: I DO NOT KNOW.

16. Q: SEVERAL WEEKS AGO.

17. Q: YES, BUT WHEN? THANK YOU. INGERSOLL

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